

Transportation Funding in California

2015



***Economic Analysis Branch
Division of Transportation Planning
California Department of Transportation***

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Disclaimer

This guide provides an overview of transportation funding sources and apportionments to entities and programs. The information stated in this guide should not be used for accounting purposes, as it is reliant on various sources and may create financial inconsistency. Any stated financial figures are subject to change. The latest version of this document can be viewed online at <http://www.dot.ca.gov/hq/tpp/offices/eab/fundchrt.html>.

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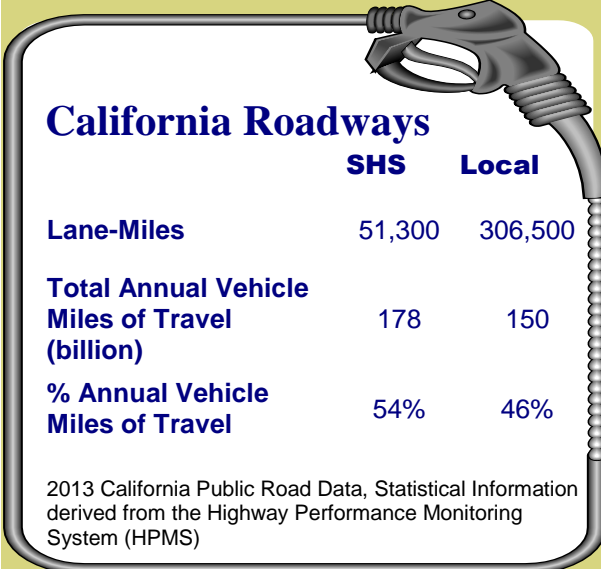
An Overview of the Transportation System

California's transportation network consists of streets, highways, railways, airports, seaports, bicycle routes, and walkways. This network provides people and businesses with the ability to access destinations, and move goods, services, and information throughout the state. The state, regional, and local governments share the network's construction, operation, and maintenance. Moreover, funding to pay for these activities come from federal, state, and local taxes, fees and assessments, and private investments. This collaborative effort results in a well-integrated transportation network that provides mobility for over 38 million people, while helping California sustain its position as the world's eighth largest economy.

The State Highway System and Local Roadways and Streets

Californians register approximately 33 million vehicles and drive 328 billion miles on public roads throughout the state per year. The California Department of Transportation (Caltrans) is responsible for approximately 51,300 lane miles of interstate freeways and state routes known as the State Highway System (SHS). Caltrans also maintains 12,559 state bridges (*Chart 15*) and inspects 402 public and special use airports and heliports (*Chart 13*).

Metropolitan planning organizations and regional transportation planning agencies are responsible for planning, coordinating, and financing local transportation projects. Regional agencies and local governments operate and maintain approximately 306,500 lane miles of public roads and streets.



	SHS	Local
Lane-Miles	51,300	306,500
Total Annual Vehicle Miles of Travel (billion)	178	150
% Annual Vehicle Miles of Travel	54%	46%

2013 California Public Road Data, Statistical Information derived from the Highway Performance Monitoring System (HPMS)

Public Transit

Over 400 transit operators annually serve 1.4 billion riders in California. These operators provide services such as fixed-route buses, dial-a-ride programs, local and express commuter services, and paratransit. Local governments, regional agencies, and state and federal agencies operate or finance public bus or rail service (*Chart 11 and Chart 12*). Commuter rail service such as *Metro Link*, *Caltrain*, and heavy rail systems like *BART* operate in large urban areas, servicing daily commuters and inter-regional travelers. In addition, local and regional transit agencies operate five light rail systems, providing regional service for daily commuters. Caltrans funds three intercity routes: the Pacific Surfliner, the San Joaquin, and the Capitol Corridor. These three routes are managed by local joint power authorities.

Other Modal Services

State, regional and local agencies, and private businesses operate and maintain airports, seaports, railways, ferry terminals, bicycle routes, and pedestrian pathways. These modes provide Californians with alternative means to travel long or short distances. California's economy relies on the network to move people and goods through the air, water, rail, or roadway. The state exported \$174 billion in goods across the world in 2014. Moreover, nearly 20% of U.S. imported goods travel through California's ports, highways, and railways.

The Transportation System's Decision Makers

Decision makers from federal, state, tribal, regional, and local governments direct, guide, and fund the transportation network through coordination, planning, construction, operation, and maintenance activities.

Federal Level

The President and Congress enhance the nation's transportation network by creating national policies and allocating funds to states. This effort is carried forward through the Moving Ahead for Progress in the 21st Century Act (MAP-21) authorization and programs such as the Transportation Investment Generating Economic Recovery (TIGER), Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants, and Transportation Alternative Program (TAP). The United States Department of Transportation (U.S. DOT) implements and enforces regulations and allocates funds to states and regional and local agencies. The U.S. DOT is comprised of multiple divisions that are responsible for specific transportation themes such as highways, transit, aviation, safety, and other emphasis areas. Caltrans primarily partners with the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA).

State Level

At the state level, transportation is a coordinated effort between the California State Legislature (Legislature), California State Transportation Agency (CalSTA), California Transportation Commission (CTC), and Caltrans.

California State Legislature

The Legislature signifies their transportation initiatives and spending priorities by establishing policies and financial resources through state statutes such as the *Revenue and Taxation Code*, the *Streets and Highways Code*, and the *Government Code*. Every year, the Governor and Legislature appropriate funds for the transportation network through the annual budget. The Legislature has the authority to designate transportation projects statutorily. For more information visit:

<http://www.legislature.ca.gov/>.

California State Transportation Agency

Established on July 1, 2013, the CALSTA replaced the Business, Transportation and Housing Agency. The mission of the CalSTA is to “develop and coordinate the policies and programs of the state's transportation entities to achieve the state's mobility, safety and air quality objectives from its transportation system.” The CALSTA oversees the Board of Pilot Commissioners, California Highway Patrol, California Transportation Commission, Caltrans, Department of Motor Vehicles, High-Speed Rail Authority, New Motor Vehicle Board, and the Office of Traffic Safety. For more information visit: <http://www.calsta.ca.gov/>.

California Transportation Commission

The CTC consists of eleven appointed voting members and two non-voting ex-officio members. The Governor appoints nine members and the Senate Rules Committee and the Speaker of the Assembly each appoint one member. The CTC's responsibilities include 1) recommending policies and funding priorities to the Legislature, 2) providing project oversight for the state, 3) adopting state transportation programs, and 4) approving projects nominated for funding by Caltrans and regional agencies. For more information visit: <http://www.catc.ca.gov/>.

Caltrans

Caltrans supports the transportation network primarily by planning, designing, constructing, and maintaining the SHS to account for motor vehicles and active transportation modes. This effort involves nominating interregional capital improvement projects to the CTC for construction. In addition, Caltrans partners with Amtrak to operate intercity rail lines and collaborates with federal, state, regional, and local entities to advance the transportation network. For more information visit: <http://www.dot.ca.gov/>.

Tribal Governments

There are 110 federally recognized tribes, and many non-recognized tribes, residing in the state that have transportation needs. Tribal governments establish plans and policies that are used to prioritize projects through tribal transportation improvement plans, making them eligible for federal funding (*Chart 20*). Tribes often leverage funding by collaborating with the state, regional, or local planning agencies on projects of mutual interest through their planning processes, and long-range transportation planning documents.

Regional Level

Metropolitan planning organizations (MPOs), regional transportation planning agencies (RTPAs), and local governments maintain public streets and roads and allocate resources to the SHS. These entities collaborate with federal and state agencies to meet transportation mandates and implement the objectives of policymakers on behalf of the public.

Metropolitan and Regional Planning Organizations

Under federal law (Title 23 United States Code Section 134), there are 18 MPOs in California with populations greater than 50,000. The State of California has designated 26 RTPAs with populations less than 50,000 people (CA Government Code Section 29532 et. seq.). These regional agencies are responsible for planning, coordinating, and administering federal, state, and local funds that enhance their region's multimodal transportation network. Each agency is responsible for developing an overall work program (an annual document), a regional transportation plan (a 20-year planning and programming document), and a regional transportation improvement program (a 5-year financial document) that is included in Caltrans' State Transportation Improvement Program. For more information visit: http://www.dot.ca.gov/hq/tpp/offices/orip/rtp/index_files/2010%20RTPGuidelines_Jan2011_Technical_Change.pdf.

Local Government Level

As of 2013, California has 482 incorporated cities and 58 counties; each local government has authority over their roads, streets, and land-uses within their jurisdictional boundary. Local governments and transit operators nominate transportation projects for funding to their metropolitan or regional transportation planning organizations. County transportation authorities are responsible for developing expenditure plans for self-imposed, voter-approved, local sales tax measures.

Transportation Funding Sources

California's transportation network receives funding from federal, state, local governments, and private investments (*Chart 1*). Federal, state, and local revenues are collected through: 1) user fees, 2) property access charges, and 3) subsidies. Regional and local governments provide half of California's transportation funding, whereas, the federal and state government each provide roughly a quarter of the remaining amount. The Legislative Analyst's Office estimates \$28 billion in transportation revenues will be provided to all levels of government for Fiscal Year 2015-16.

Transportation Funding Sources		
User Fees	Property Related Charges	Subsidies
<ul style="list-style-type: none"> Federal and state gasoline or diesel taxes Vehicle weight fees (debt service) Tolls Public transit fare 	<ul style="list-style-type: none"> Property taxes Benefits assessment districts Developer fees 	<ul style="list-style-type: none"> Sales taxes General Funds provided by federal, state, and local governments Externalized Costs

Source: The Santa Clara Valley Transportation Authority: Introduction to Transportation Funding

Federal Funds

Federal Fuel Excise Tax: The Internal Revenue Service collects this tax—18.4¢/gallon gasoline and 24.4¢/gallon diesel fuel—and deposits it into the Highway Trust Fund (HTF).

- About 85% of the HTF account goes into the Highway Account. FHWA appropriates funding to each state for specific purposes (*Chart 18*).
- The remaining 15% of the HTF account goes into the Transit Account. The FTA allocates this funding to regional agencies and local transit providers in each state for specific transit purposes (*Chart 19*).
- California receives a majority of its federal tax contributions through the Federal Obligation Authority (OA).

For more information visit: <http://www.fhwa.dot.gov/policy/olsp/financingfederalaid/>.

State Funds

State Fuel Excise Tax: As of July 1, 2015, California collects 30¢/gallon excise tax on gasoline and 13¢/gallon on diesel fuel—generating approximately \$4.9 billion a year. The total amount of State Fuel Excise Tax revenues (*Chart 2*) are divided between the State Highway Account (SHA) and local entities according to a statutory formula (*Chart 3*) and relief of transportation General Fund obligation debt.

The excise tax on gasoline is comprised of two taxes:

- The base state excise tax (Prop. 111, 1990) has remained at 18¢/gallon since 1994. Cities and counties receive approximately 36% and the state receives 64% of this revenue.
- The price-based excise tax for Fiscal Year (FY) 2015-16 is 12.0¢/gallon. Revenue is used to backfill weight fees that are diverted to the Transportation Debt Service Fund and the General Fund. After backfilling weight fees and general fund transfers, the remaining

funds are allocated between local roadways (44%), new construction projects (STIP, 44%), and highway maintenance and operations (SHOPP, 12%).

The Fuel Tax Swap was first enacted in 2010—Assembly Bill (AB) 6 of the Eighth Extraordinary Session (ABX8 6) and Senate Bill (SB) 70. Due to conflicts created by the passage of Propositions 22 and 26 (2010) by voters, the Legislature reenacted the Fuel Tax Swap through AB 105 (2011). The Fuel Tax Swap eliminated the sales tax on gasoline and replaced it with the price-based excise tax. The California Board of Equalization (BOE) adjusts this rate annually. The passage of AB 105 also authorized the redirection of weight fees from the SHA to the General Fund to pay off General Obligation bond debt service for specified voter-approved transportation bonds (*Chart 5*). For more information visit: http://lao.ca.gov/analysis/2011/transportation/tax_swap_012511.pdf.

State Sales Tax: As of January 2013, the BOE collects a 6.50% state base sales and use tax (Proposition 30 temporarily added 0.25% until January 1, 2017) and a 1% Bradley-Burns local uniform tax—totaling to a statewide tax rate of 7.50%. Portions of this tax are earmarked for the following transportation programs:

- The 1971 Transportation Development Act (TDA) allows each county to impose a 0.25% sales tax for transportation purposes through the Local Transportation Fund (LTF). The BOE collects and distributes this tax revenue to each county based on a pro rata basis.
- The Public Transportation Account (PTA) provides funding for local transit, as outlined in the Transportation Development Act. The only revenue for this Account is from the state sales tax on diesel fuel. The sales and use tax on diesel fuel is an additional 1.75% on top of the base sales tax (7.50%) and thereafter according to Revenue and Taxation Code 6051.8, 6201.8, and 60050. This equates to a total sales tax rate of 9.25% for diesel fuel.

Proposition 22 (2010) requires revenue generated from the state's 4.75% base portion of the sales tax on diesel fuel to be split equally between the state and local transit agencies. The additional 1.75% on top of base sales tax on diesel fuel is dedicated to the State Transit Assistance fund (STA) for operation and capital purposes (*Chart 6 and Chart 7*). For more information visit: http://www.boe.ca.gov/meetings/pdf/2015/022415_PAN_February_Culver_City.pdf.

Truck Weight Fees: The state collects commercial vehicle fees based on weight, generating approximately \$900 million a year. The California Department of Motor Vehicles (DMV) calculates weight fees based on the gross weight of commercial vehicles. These fees are deposited into the SHA and transferred onto the General Fund to pay for transportation bond debt (*Chart 5*).

Proposition 1B Bonds: This 2006 Bond Act provided \$19.9 billion for the following projects: congestion relief, goods movement facilitation, air quality improvement, and safety and security enhancements to the transportation network (*Chart 8*).

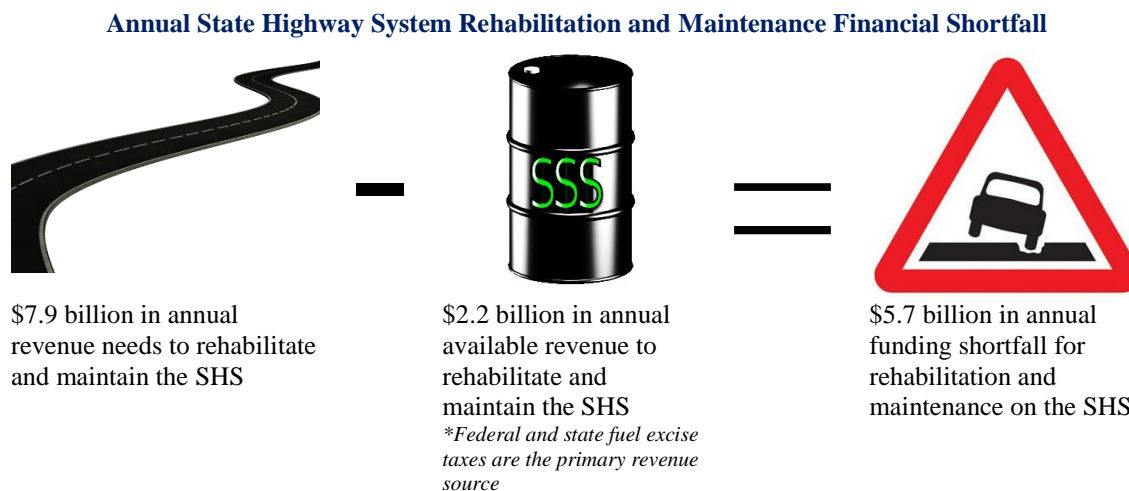
Motor Vehicle License and Other Fees: The state also collects vehicle license, registration, and driver license fees. These revenues are allocated to the California Highway Patrol (CHP) and the Department of Motor Vehicles for traffic law enforcement and regulations (*Chart 17*). For more information on California's transportation funding structure visit: www.catc.ca.gov/reports/annualreports.htm.

State Funding Opportunities

The Legislature and various agencies are exploring opportunities to generate additional revenue for California's transportation system. A few proposals and efforts are highlighted below.

Transportation Funding Modifications: This proposal would impose a \$0.10 per gallon excise tax on gasoline, a \$0.12 per gallon excise tax on diesel fuel, and increase vehicle license fees and registration fees for five years. Roughly, \$3.5 billion in new transportation revenues would be raised annually. Revenue would primarily be used to address deferred maintenance on state highways and local streets and roads. For more information visit:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB16.



Infrastructure Financing: The California Infrastructure and Economic Development Bank provides financial assistance for public infrastructure and private development. This proposal would revise the definition of economic development facilities to include goods movement-related infrastructure and specifically reference airports, landports, waterports, and railports. Public and private entities would be eligible for this program. For more information visit:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1533.

California Road Charge Pilot Program: The passage of Senate Bill 1077 (2014) requires the State to assess the potential for mileage-based revenue collection for California's roads and highways as an alternative to the gas tax system. The California Transportation Commission (CTC) has assembled a 15 member Road Charge Technical Advisory Committee (TAC) to develop recommendations for the design of a Road Charge Pilot Program. The Pilot Program will be implemented by the California State Transportation Agency no later than January 1, 2017. The outcomes of the Road Charge Pilot Program will be reported back to the TAC, CTC, and Legislature no later than June 30, 2018. The CTC will provide recommendations on the Pilot Program to the Legislature in December 2018. Caltrans has been charged with providing technical support to the TAC, CTC, and CalSTA in carrying out their duties and responsibilities in the enabling legislation. For additional information on this pilot program visit:

www.CaliforniaRoadChargePilot.com.

Local and Other Funds

Various local funding sources provide additional funding for various transportation purposes.

Local Sales Tax Measures (Self-Help Counties): Counties can adopt a sales tax increase for transportation programs (2/3 local voter approval), generally lasting 20 to 30 years (*Chart 10*).

- Twenty counties have recently approved sales tax measures for transportation
 - Napa's Measure T is expected to begin in July 2018
 - Alameda's Measure BB increased its transportation sales tax from 0.5% to 1%
- Four Transit Authorities have approved permanent local tax measures

TDA of 1971: Provides local agencies with transportation and transit funding (LTF and STA).

Transit Fares: Provides about \$1.2 billion for local transit systems.

Local General Funds and Other Local Funds: Includes property taxes, developer fees, street assessments, bonds, fines, and forfeitures (*Chart 9*).

Federal and State Transportation Programming

Both federal and state governments allocate revenue by programming funds for specific policy initiatives.

Federal Programming

Congress authorizes the federal government to spend its transportation revenue on programs that support public policy interests for a given amount of time—typically a five to six year period. An authorization sets the maximum amount of funding that can be appropriated to programs each fiscal year. Each year, Congress reviews appropriation bills to allocate funding for all federal agencies, departments, and programs. This action provides the legal authority for federal agencies to spend money during the upcoming fiscal year on administered programs. The federal government can only allocate up to the maximum amount identified in the authorization for the upcoming year—no more. The FHWA and the FTA are the main recipients of federal transportation funding. The administrations then allocate funding to each state based on various programs.

Current Federal Authorization: Moving Ahead for Progress in the 21st Century

President Barack Obama signed House Resolution 4348, otherwise known as MAP-21, on July 6, 2012, allocating \$105 billion for transportation purposes. The passage of MAP-21 extended the federal government's authority to collect motor vehicle fuel excise taxes through September 30, 2016 and truck excise taxes through September 30, 2017. In addition, the passage of MAP-21 resulted in several changes to programs that FHWA and FTA administer (*Chart 18 and Chart 19*). In August 2014, MAP-21 was extended to May 31, 2015 through the Highway and Transportation Funding Act of 2014. The U.S. House of Representatives extended MAP-21 for a second time to July 2015 on May 19, 2015. These extensions provide billions of dollars to federal-aid highway programs and public transit only for a portion of the Federal Fiscal Year 2015. For additional information visit: <http://www.fhwa.dot.gov/map21/>.

State Programming

Similar to federal programming, the Legislature dictates how state revenues are spent on the transportation network. The Legislature appropriates state funding for specific purposes each year.

State Transportation Improvement Program (STIP): Funds new construction projects that add capacity to the transportation network. STIP consists of two components, Caltrans' Interregional Transportation Improvement Program (ITIP) and regional transportation planning agencies' Regional Transportation Improvement Program (RTIP). STIP funding is a mix of state, federal, and local taxes and fees (*Chart 4*).

State Highway Operation and Protection Program (SHOPP): Provides funds for pavement rehabilitation, operation, and safety improvements on state highways and bridges.

Local Assistance Program: Caltrans oversees more than \$1 billion in federal and state funding annually to over 600 cities, counties, and regional agencies. The program provides recipients with the opportunity to improve their transportation infrastructure or provide additional transportation services.

PTA According to TDA Law: The PTA primarily supports the STA, intercity rail, and transit capital improvements. The STA program disburses funding to transportation planning agencies and transportation commissions based on a formula that is dependent on an area's population and

transit operator revenues. These entities then redistribute funding to transit operators within their region for purposes such as operating assistance, capital acquisition and improvement, and transit services.

Proposition 1B: Transportation Bonds: The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) authorized the state to sell \$19.9 billion in general obligation bonds for transportation projects. These projects focus on improving state highways and local roads, transit network, freight mobility, and air quality. In partnership with the CTC, Caltrans is responsible for administering a majority of the Proposition 1B funds. Roughly, three-fourths of Proposition 1B projects are complete or under construction for purposes. Projects include SHOPP, Trade Corridors Improvement Fund program, State Route 99, intercity rail, and seismic retrofitting of local bridges and overpasses (see *Chart 8*). For more information visit: <http://www.bondaccountability.dot.ca.gov/bondacc/>.

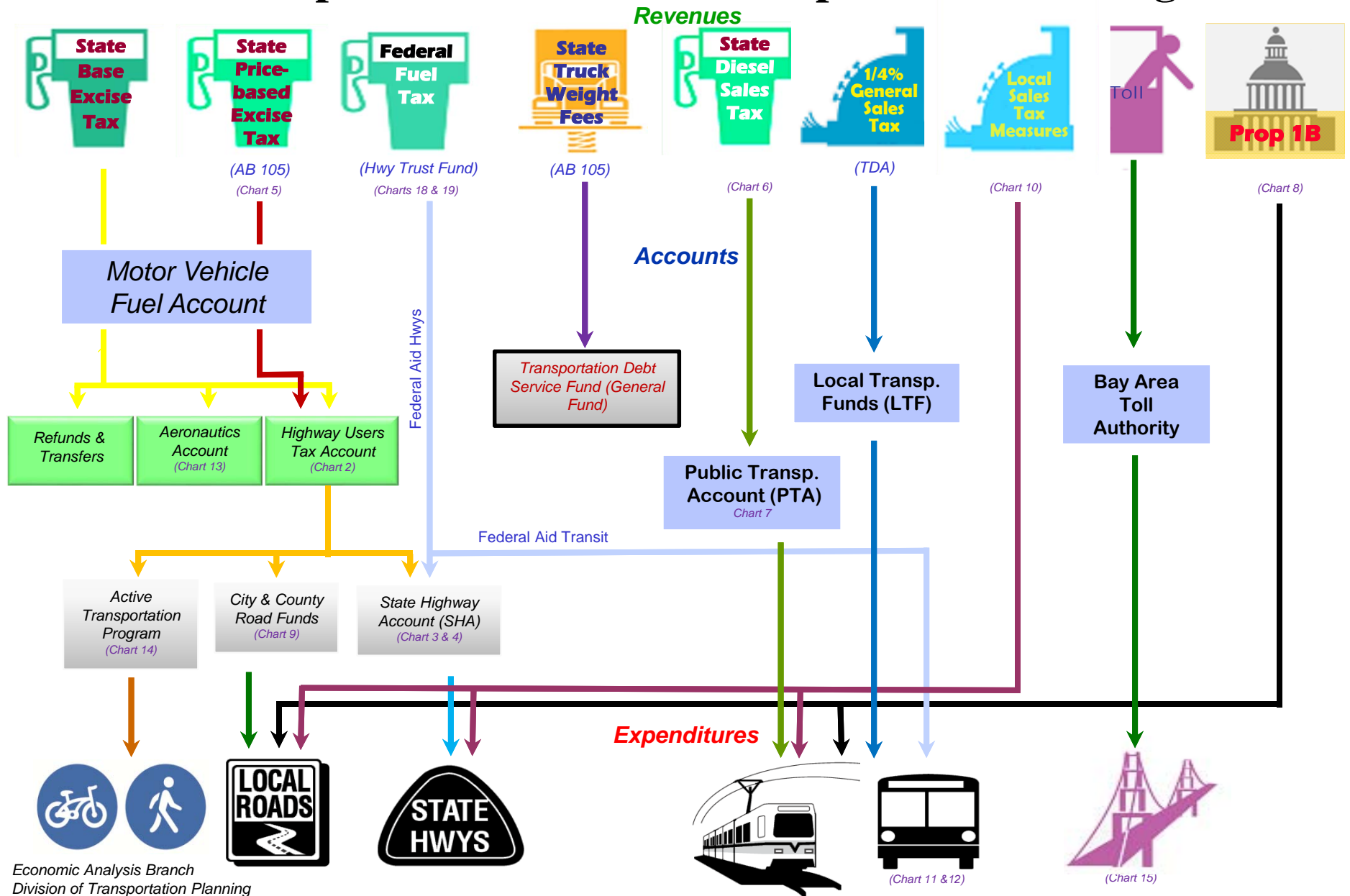
Cap and Trade: AB 32 (2006) requires the reduction of greenhouse gas (GHG) emissions to 1990 levels by 2020. In order to meet this goal, the California Air Resources Board (ARB) adopted “cap-and-trade.” This market mechanism policy places a “cap” on entities responsible for 85 percent of the State’s GHG emissions. As part of the cap-and-trade program, ARB conducts quarterly auctions and sells emission allowances. These auctions will generate billions of dollars in state revenue over multiple years. The Governor’s FY 2015-16 budget proposes to appropriate \$1 billion in auction revenue to various state programs such as sustainable communities, clean transportation, energy efficiency, natural resources, and waste diversion. Caltrans receives funding from the Sustainable Communities Funding portion of Cap-and-Trade (see *Chart 21*).

Active Transportation Program (ATP): In response to the Federal Transportation Alternatives Program, the State’s ATP was created on September 26, 2013 with the passage of California Senate Bill 99 (Chapter 359, Statutes of 2013) and California Assembly Bill 101 (Chapter 354, Statutes of 2013). Millions of federal and state dollars are allocated to the ATP each year (see *Chart 22*). This program funds safe routes to school, pedestrian, bicycle, and trail projects. Furthermore, disadvantaged communities must receive at least 25% of the program’s funding. The CTC is responsible for adopting guidelines and programming projects, while Caltrans is responsible for administering the program. For more information visit: <http://www.catc.ca.gov/programs/ATP.htm>.

Transportation Funding Charts

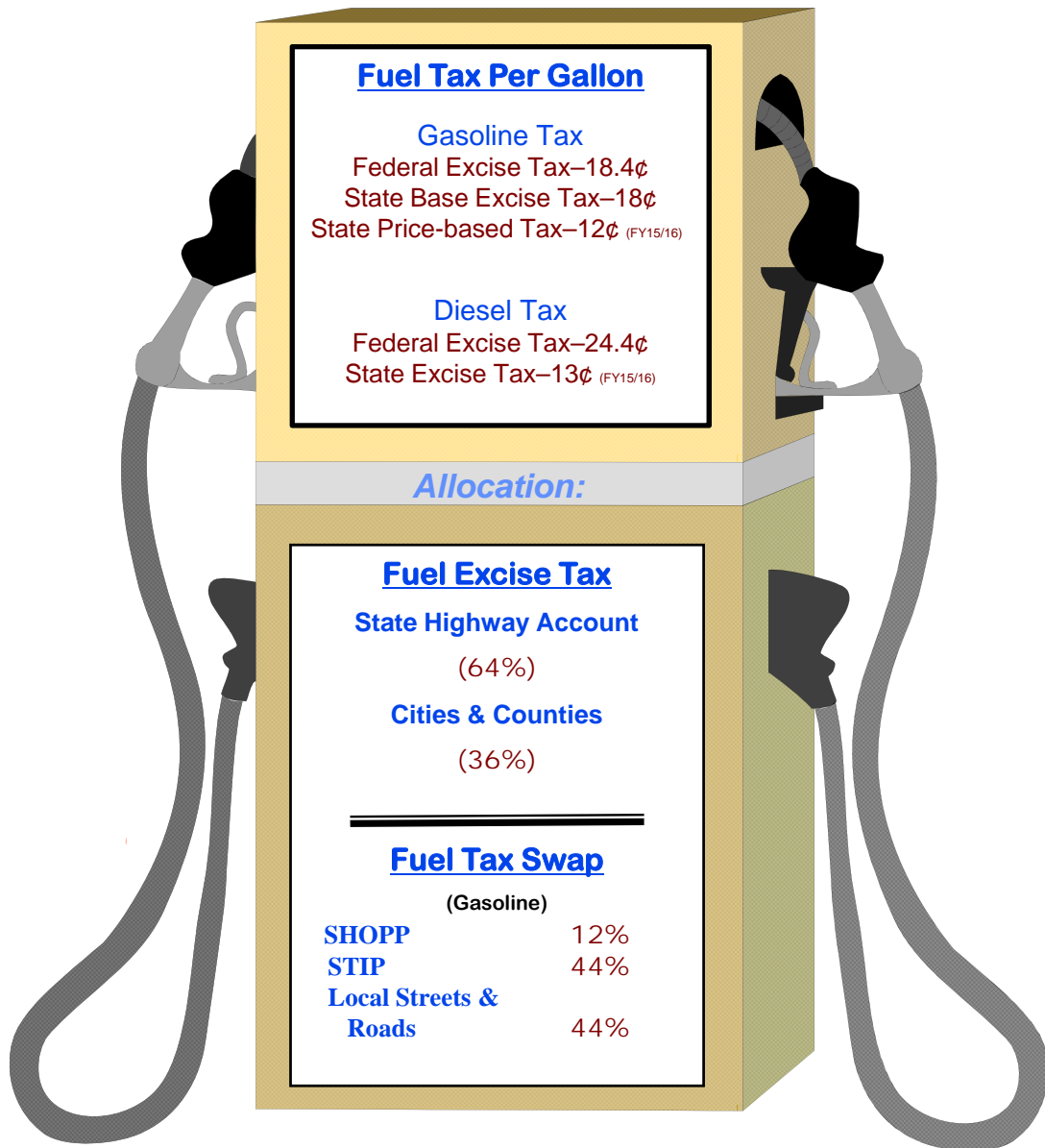
A Simplified Overview of Transportation Funding

Chart 1



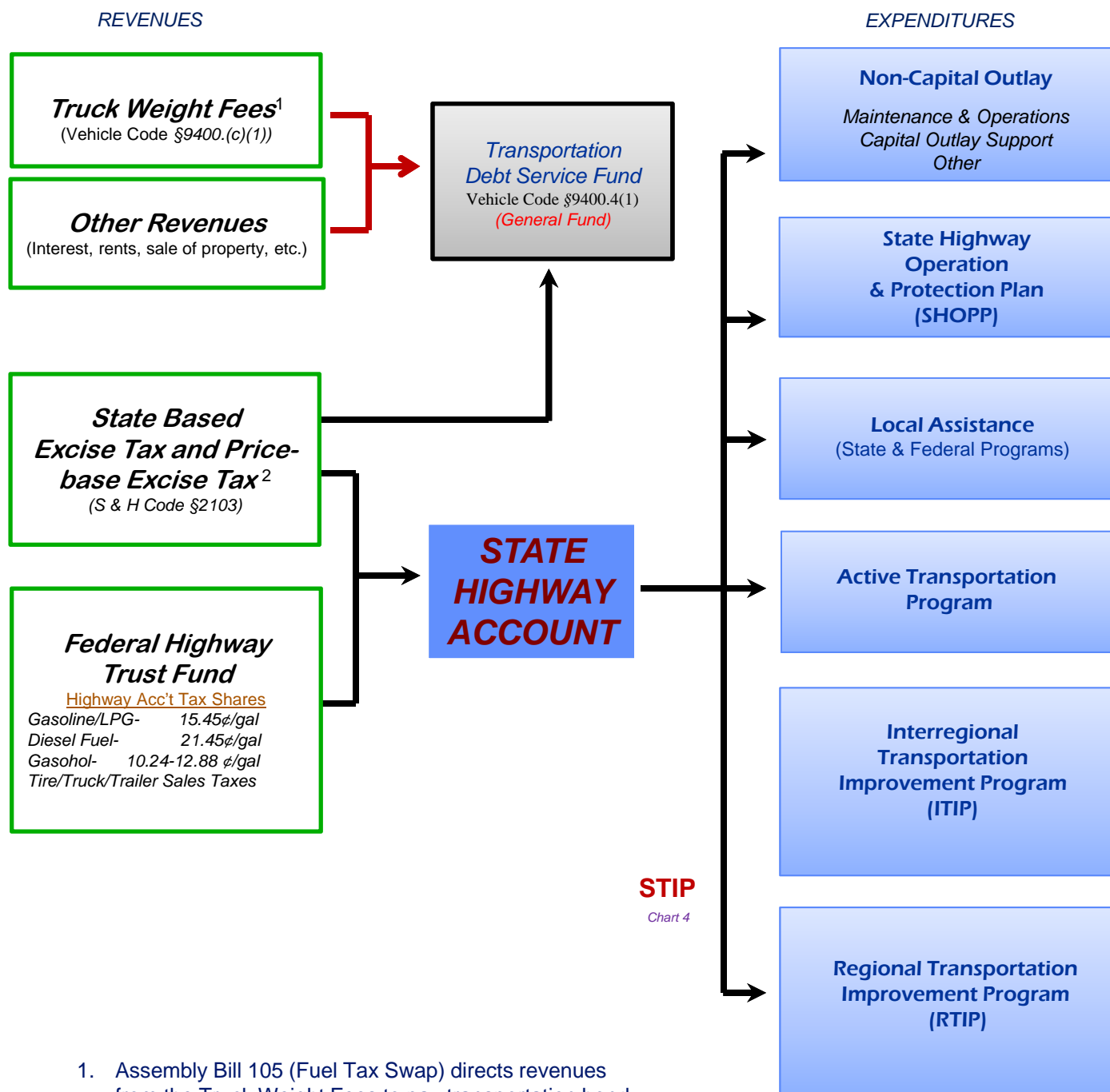
Fuel Excise Tax

(Revenue & Taxation Code, §7360 & 7361.1)



Price at the pump includes federal and state excise taxes as well as applicable state and local sales taxes.

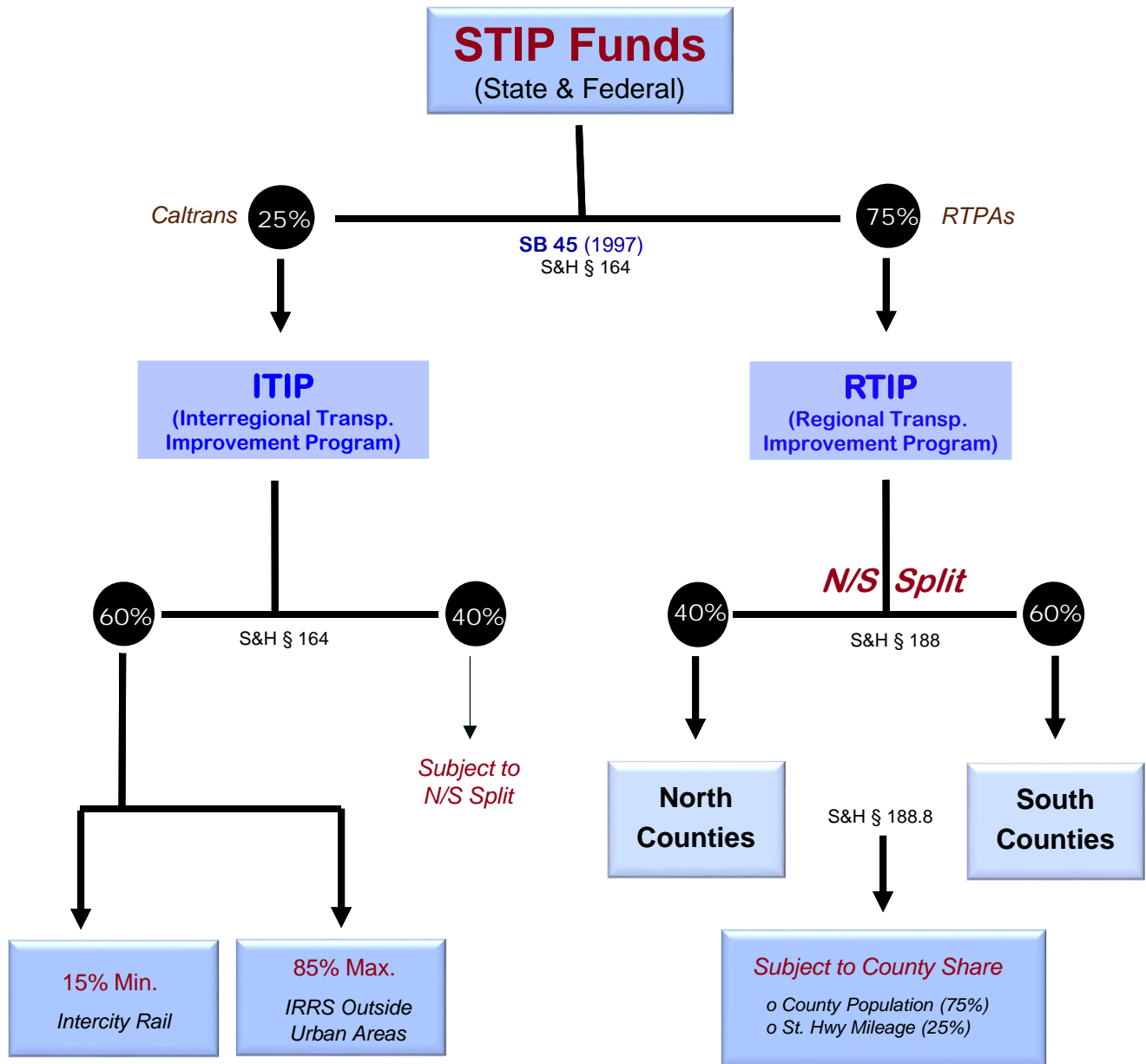
State and Federal Highway Funding



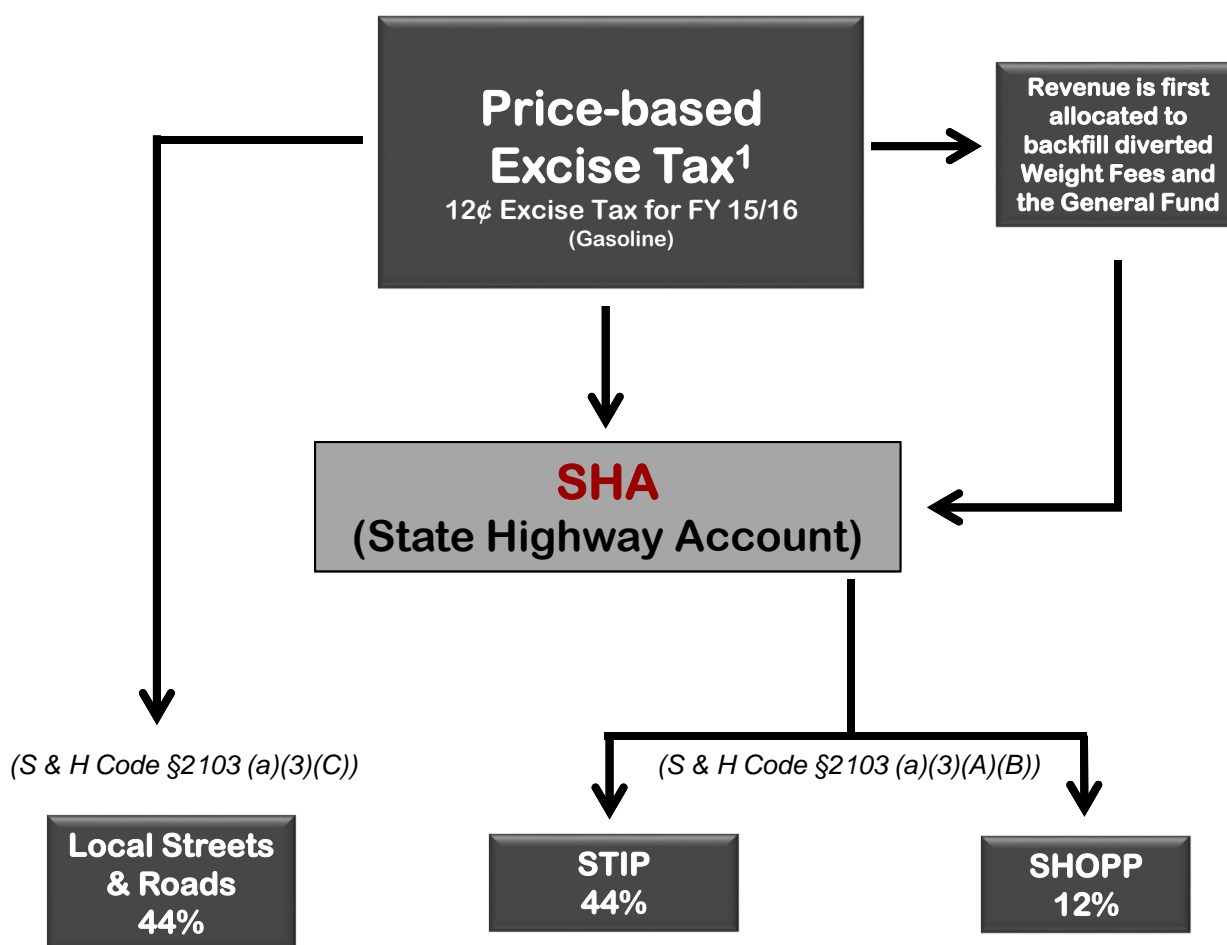
1. Assembly Bill 105 (Fuel Tax Swap) directs revenues from the Truck Weight Fees to pay transportation bond debt service and loans to the General Fund.
2. The Fuel Tax Swap was originally enacted in 2010 as ABX8 6/SB 70 and re-enacted in 2011 through AB 105 in response to Propositions 22 and 26 (2010).

STIP Funding Distribution

State/Region, North/South Splits & County Shares



Fuel Tax Swap

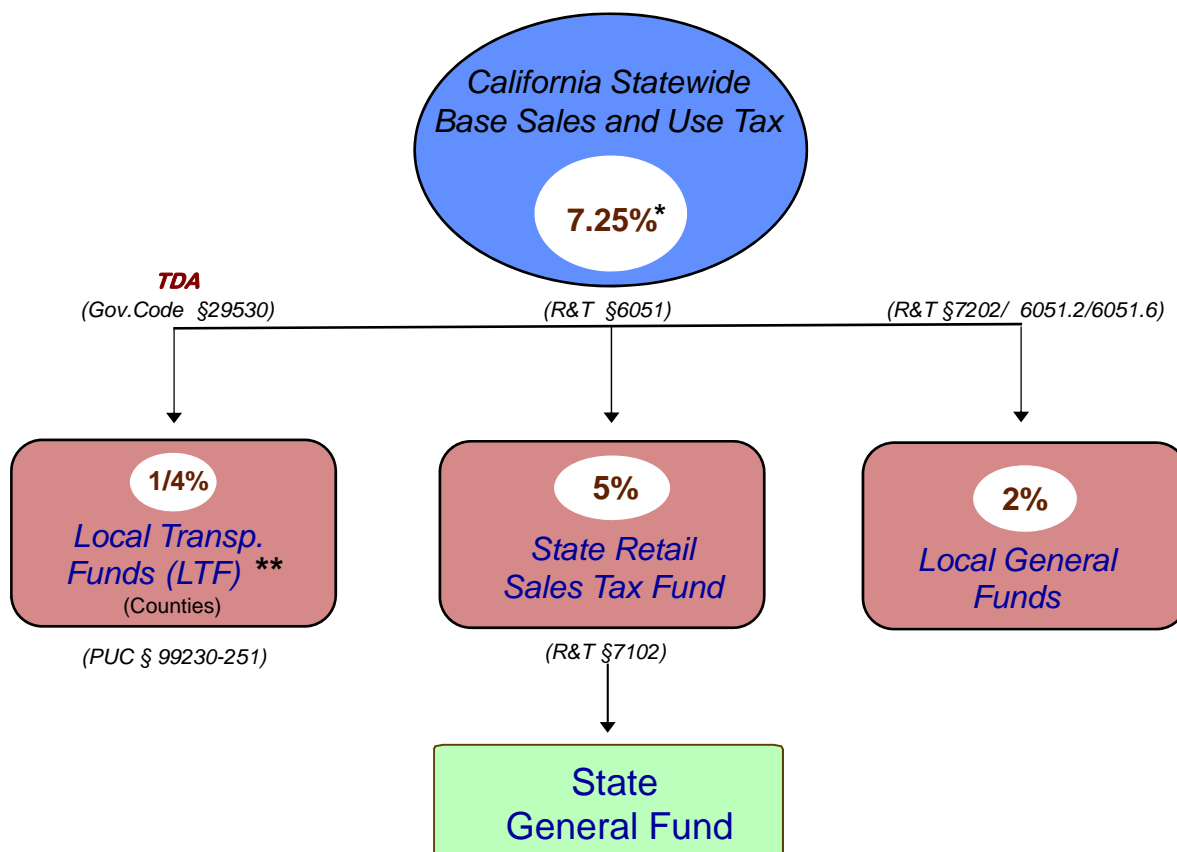


Funding is based on the price-based portion of the excise tax

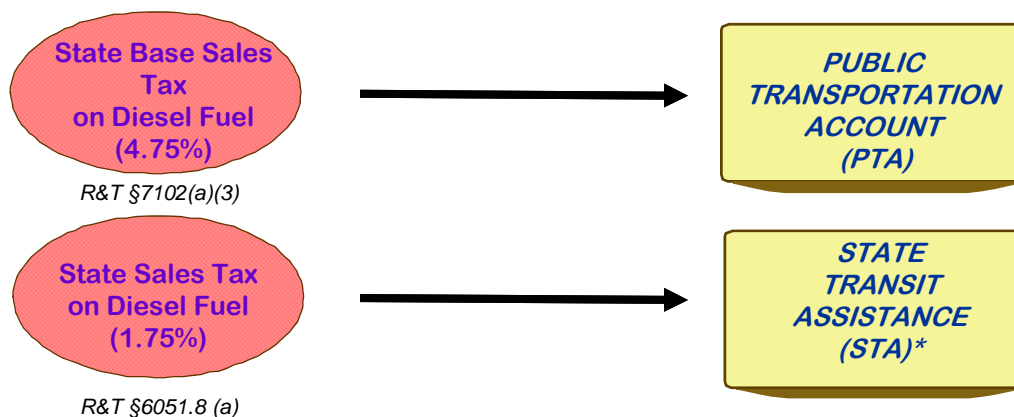
1. The enactment of AB 105 (2011) effectively repealed the provisions of Proposition 42 and subsequent revenue allocation. The California Board of Equalization adjusts the gasoline excise tax rate annually to maintain revenue neutrality had the sales and use tax and excise tax rate not been changed by the Fuel Tax Swap.

AB 105 authorized transfers of weight fee revenues from the SHA to the GF to pay down transportation debt service and loans. An equivalent amount of excise taxes from the fuel tax is transferred to the SHA to offset this diversion and maintain revenue neutrality. The remaining net revenues derived from the new excise tax are allocated as described above (see Streets and Highways Code, Section 2103).

State Sales and Use Tax



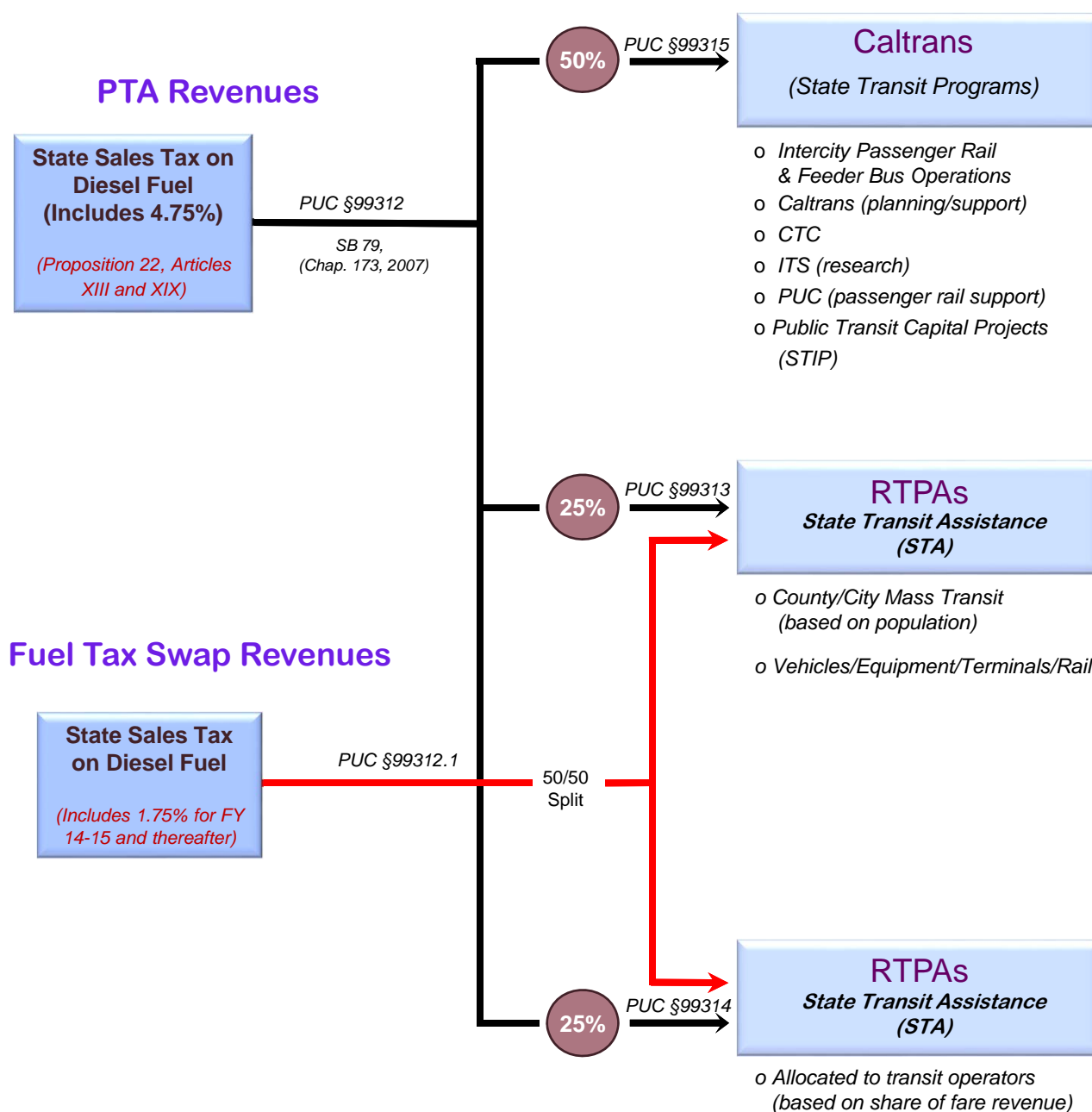
Diesel Fuel Sales Tax



* The temporary sales and use tax increase of 0.25% from Proposition 30 is not included

** Two funding sources within TDA law

Public Transportation Account (PTA)



Proposition 1B

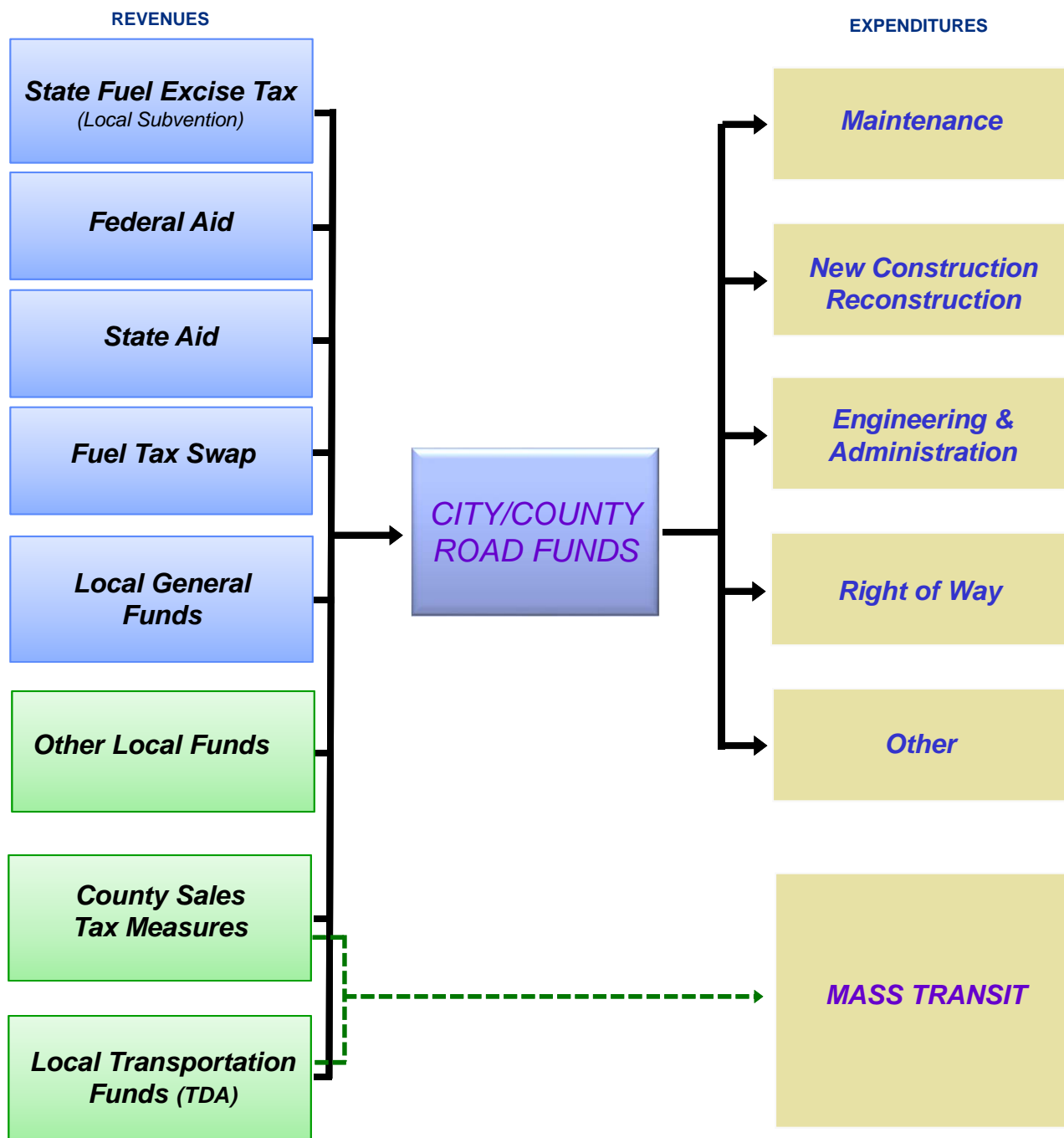
Chart 8

Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006
(Authorizes \$19.9 Billion in General Obligation Bonds)

Account/Program	Available (Billions)	Committed (Billions)	Allocation Plan
Corridor Mobility Improvement Account (CMIA)	\$4.5	\$4.5	<ul style="list-style-type: none"> Performance improvements on highly congested travel corridors Projects are nominated by Caltrans & MPOs/RTPAs CTC develops guidelines and approves projects
Public Transp. Modernization, Improvement & Service Enhancement	\$4	\$3.18	<ul style="list-style-type: none"> Intercity Rail Improvements (\$400M) Commuter & Urban Rail Improvements (\$3.6B) Projects nominated by Caltrans/MPOs/RTPAs
California Ports Infrastructure, Security, and Air Quality Improvement	\$3.1	\$2.76	<ul style="list-style-type: none"> Multimodal Improvements along federal trade corridors (\$2B) Freight emission reductions along trade corridors (\$1B ARB) Grants for port, harbor, ferry terminals security (\$100M)
STIP Funding Augmentation	\$2	\$2	<ul style="list-style-type: none"> Deposited in Transportation Facilities Account
Local Streets and Road Improvement, Congestion Relief, and Traffic Safety	\$2	\$1.95	
State Route 99 Improvements	\$1	\$0.99	
State-Local Partnership Program	\$1	\$0.98	<ul style="list-style-type: none"> State matching funds for local projects (5-year program)
Transit System Safety, Security, and Disaster Response	\$1	\$0.54	<ul style="list-style-type: none"> Allocated by Legislature
Highway Safety, Rehabilitation, and Preservation	\$0.75	\$0.75	<ul style="list-style-type: none"> Augments SHOPP funding (CTC) Includes \$250M for traffic light synchronization projects
Highway-Railroad Crossing Safety	\$0.25	\$0.25	<ul style="list-style-type: none"> High-priority grade separation and RR crossings
School Bus Retrofit & Replacement	\$0.20	\$0.20	<ul style="list-style-type: none"> Reduction of air pollution & child exposure to diesel exhaust
Local Bridge Seismic Retrofit	\$0.125	\$0.125	<ul style="list-style-type: none"> Provides the 11.5% required match for federal Bridge Program

For more information visit www.bondaccountability.ca.org

Local Street and Road Funding



County Transportation Sales Tax Measures

Transit Districts (Permanent 0.5% Taxes)

- BART (S.F., Alameda, Contra Costa)
- San Mateo
- Santa Clara
- Santa Cruz

“Self-Help” (Temporary 0.5% Taxes)

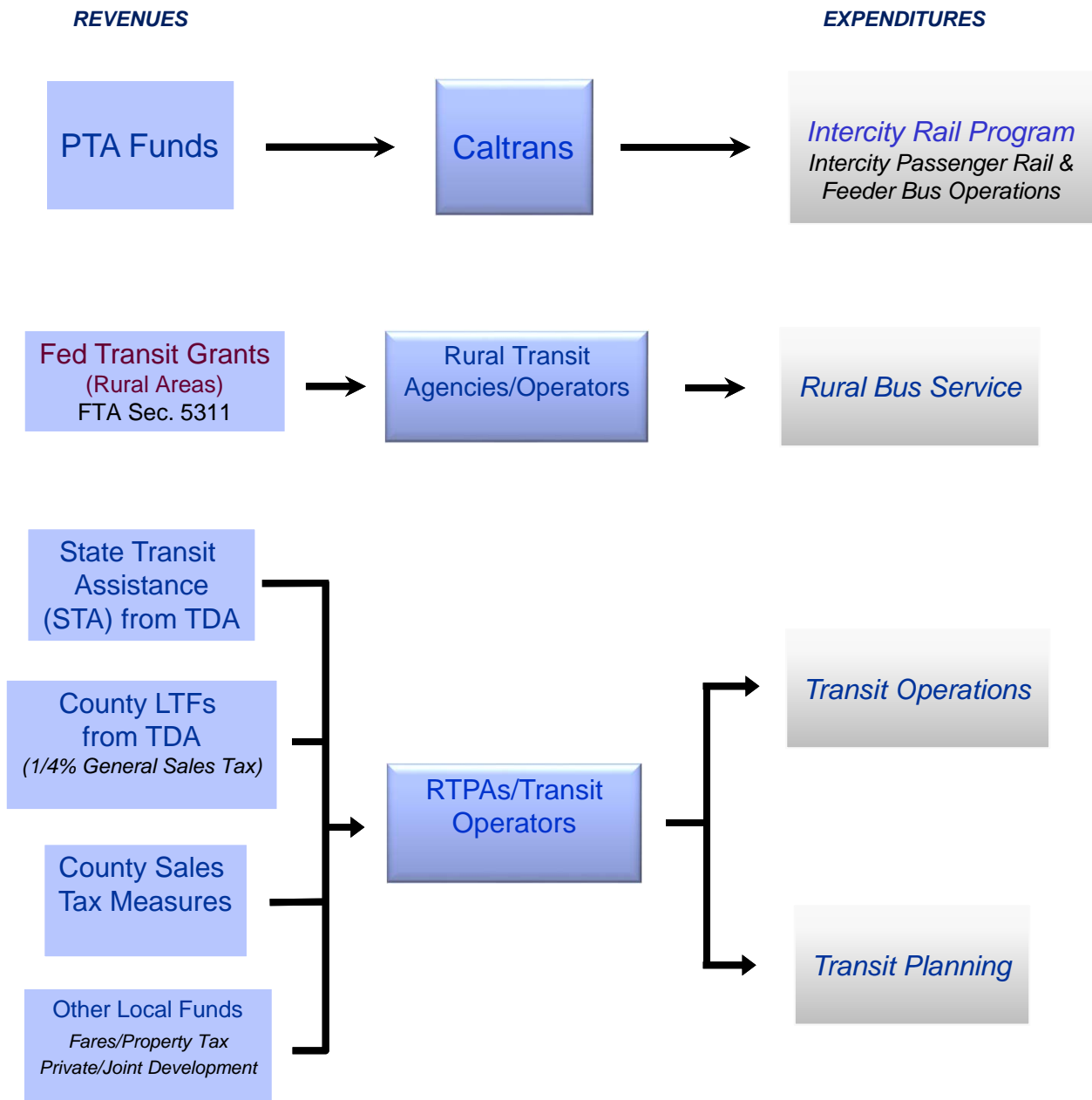
County	Duration	Est. 2015 Rev. (million \$)
Alameda (Measure BB, 1% Tax)	2015-2045	301
Contra Costa	1989-2034	81
Fresno	1987-2027	72
Imperial	1990-2050	14
Los Angeles (1% Tax)	Permanent	1,538
Los Angeles (Measure R)	2009-2039	769
Madera	1990-2027	8
Marin	2005-2025	27
Napa (Measure T)	2018-2043 (Est.)*	--
Orange	1991-2041	326
Riverside	1989-2039	172
Sacramento	1989-2039	111
San Bernardino	1990-2040	175
San Diego	1988-2048	278
San Francisco	1990-2034	95
San Joaquin	1991-2041	57
San Mateo	1989-2033	85
Santa Barbara	1990-2040	37
Santa Clara	1996-2036	221
Santa Clara (BART Ext 0.125%)	2013-2043 (Est.)	55
Sonoma (0.25% Tax)	2005-2025	23
Sonoma-Marín (SMART 0.25%)	2009-2029	36
Tulare	2007-2037	32
	TOTAL	\$4,513

* Napa will impose a one-half of one percent transactions and use tax for 25 years (Measure T). This tax will fund local street and road improvements and will be implemented once the Flood Protection tax (Measure A) expires. Measure A is expected to expire by 2018.

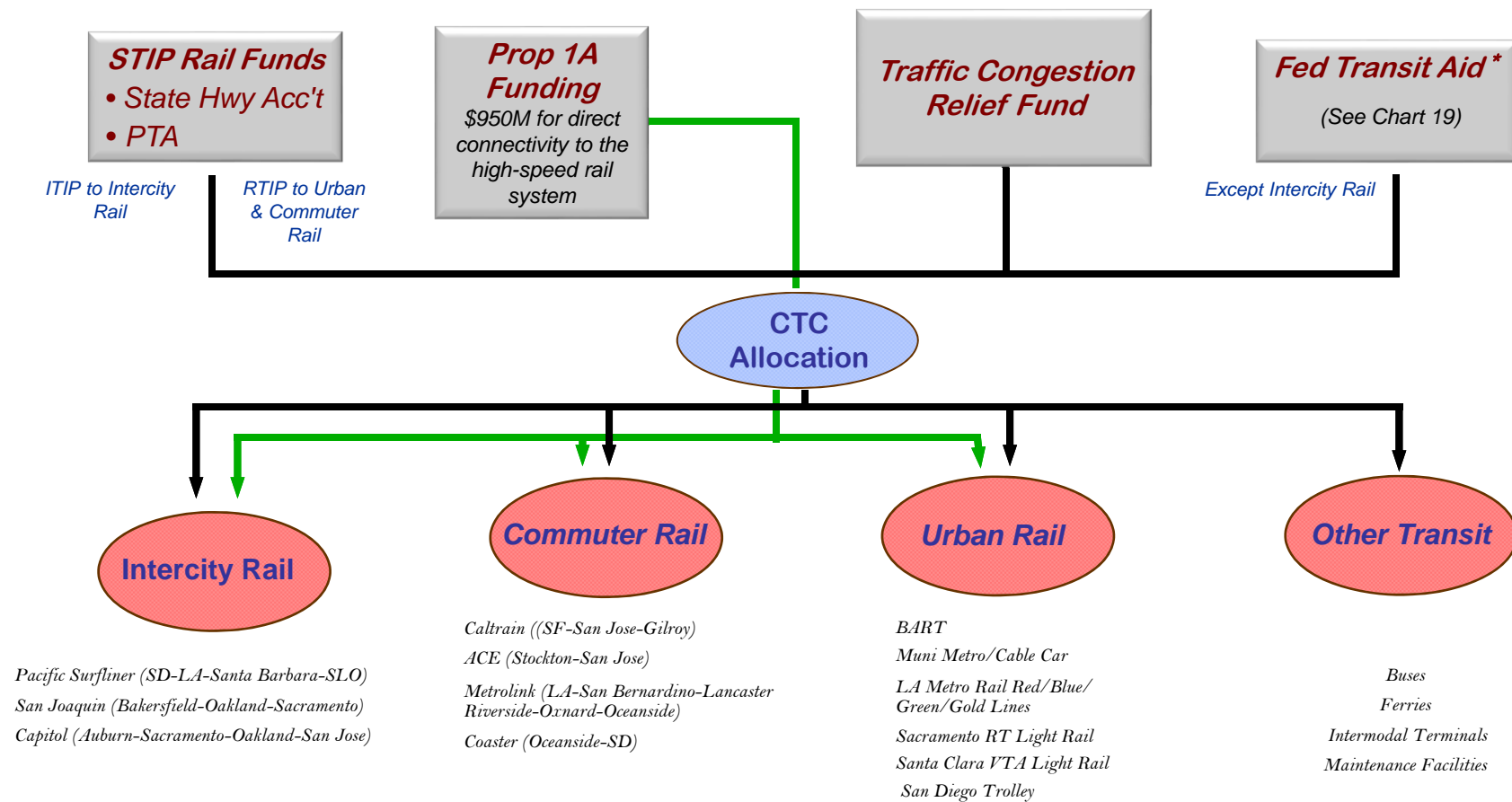
Article XIII B of the State Constitution provides the authority and requirements for the imposition of local sales tax measures subject to voter approval.

Economic Analysis Branch
Division of Transportation Planning
California Department of Transportation
03/2015

Transit and Rail Operations Funding

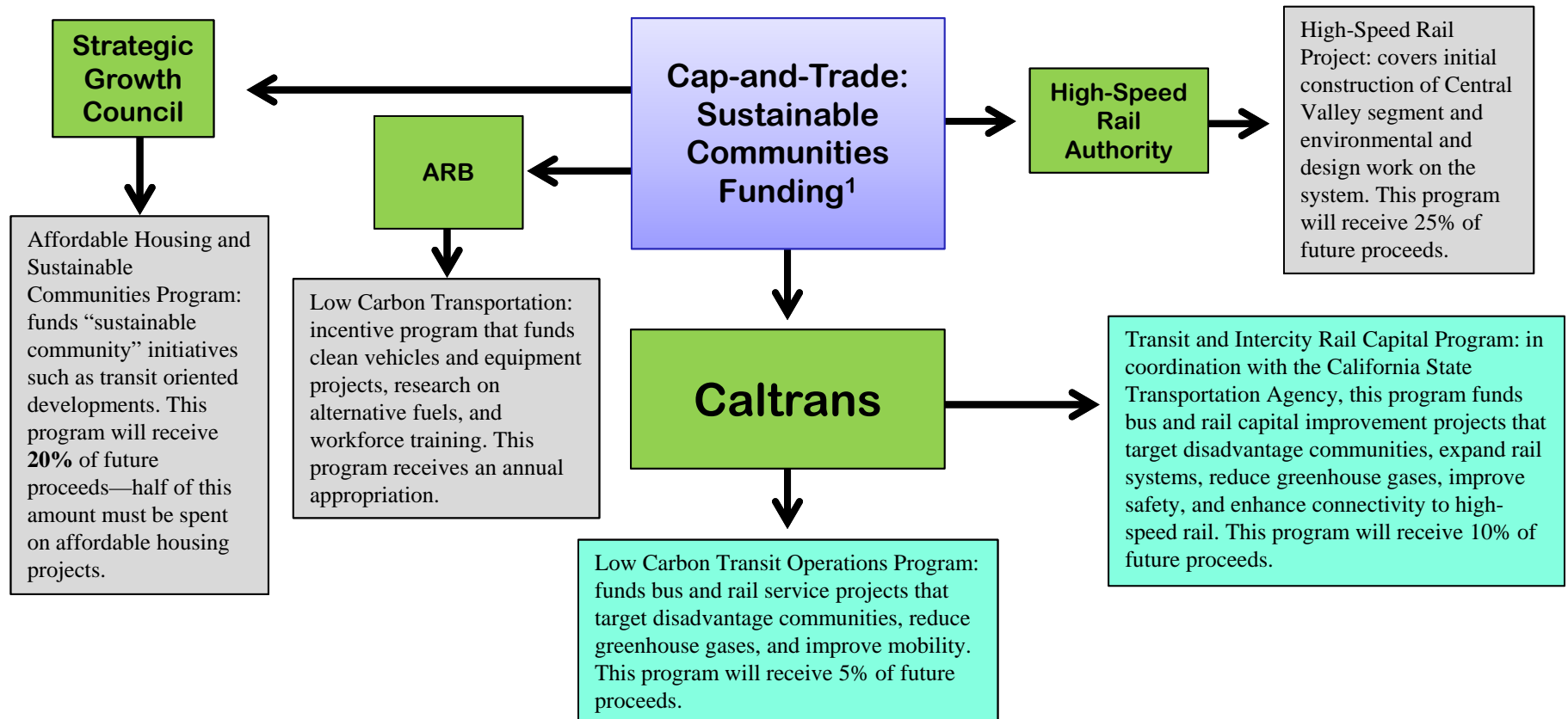


Transit and Rail Capital Funding



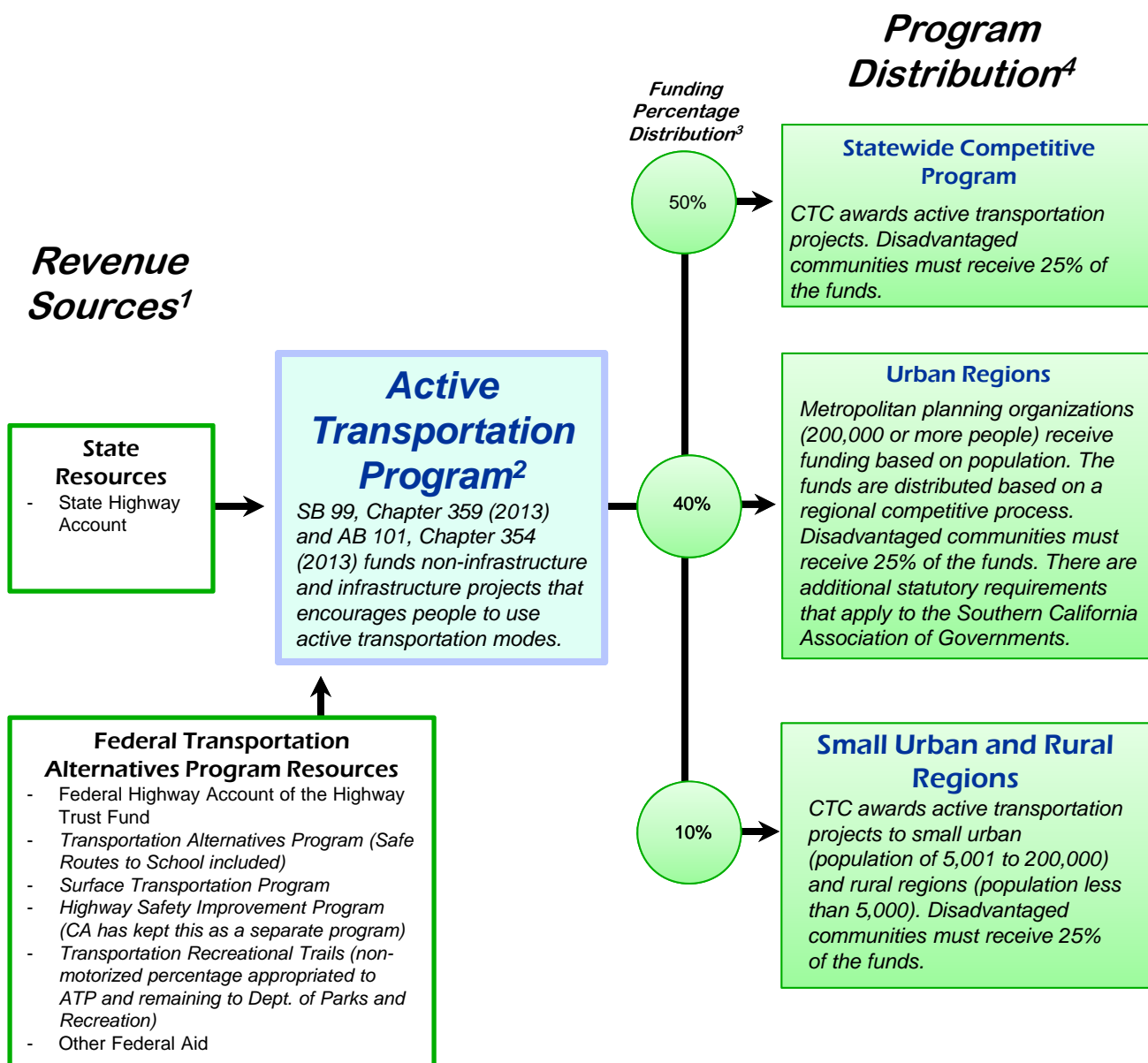
* In addition, Section 104(d)(2) of Fed Hwy Act (Title 23 US Code) provides funding for railway/highway crossing hazard elimination in existing and potential high-speed rail corridors.

Cap-and-Trade: Sustainable Communities Funding Programs



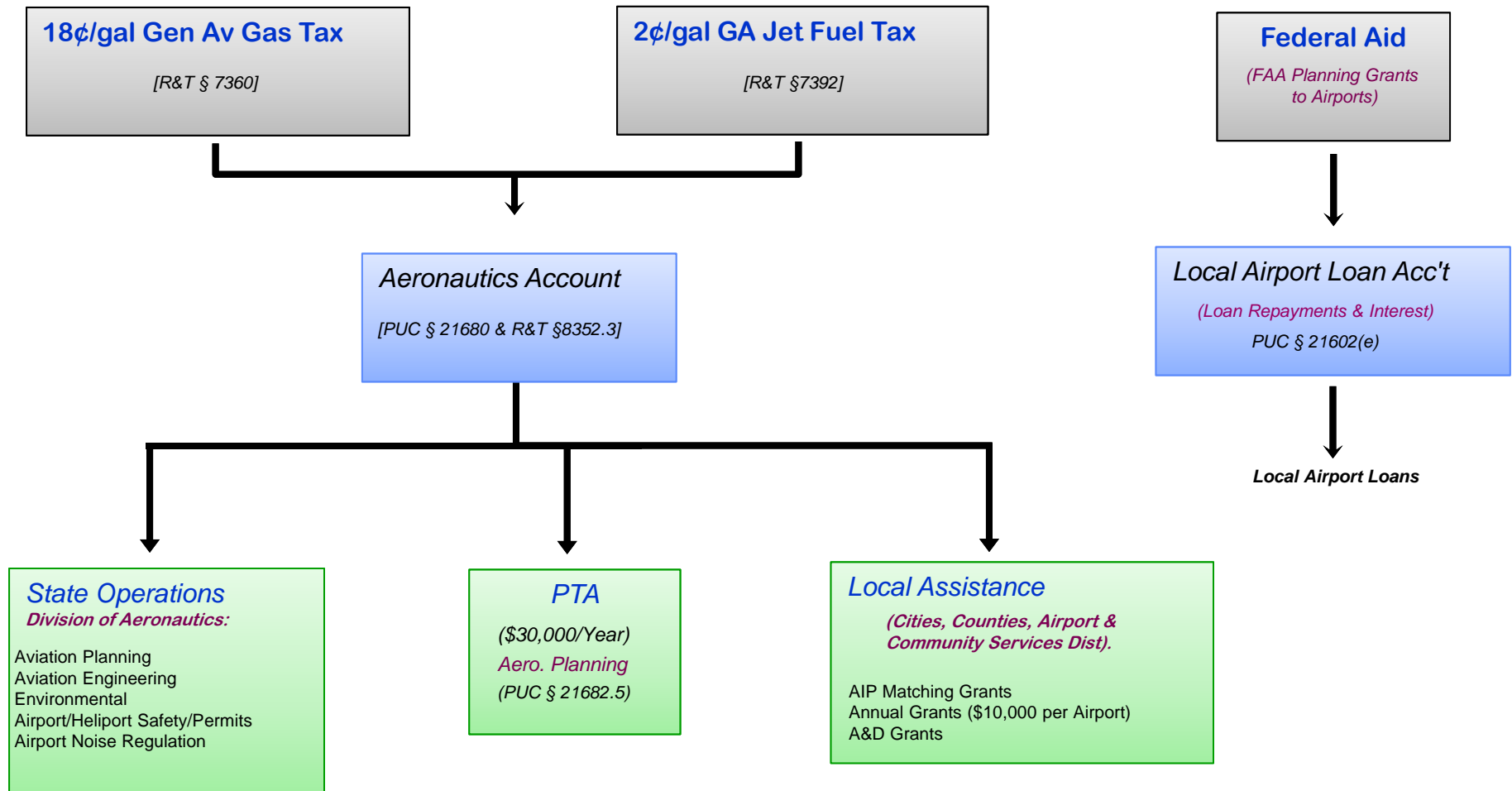
1. The enactment of AB 32, the California Global Warming Solutions Act of 2006, requires the California Air Resources Board to establish a regulatory market-based program. Since 2013, this program sets a "cap" or limit on the amount of greenhouse gas emissions that electric and large industrial plants can produce. Effective January 1, 2015, fuel distributors and suppliers are subjected to the "cap." The "cap" limitation will be approximately reduced by 3% per year to reach the state's 2020 greenhouse gas reduction target. The California Legislature and Governor appropriate the collected auction proceeds, known as the Greenhouse Gas Reduction Fund (GGRF), to State agencies for designated purposes. These appropriations are classified by three categories: 1) Transportation and Sustainable Communities Funding, 2) Clean Energy and Energy Efficiency Funding, and 3) Natural Resources and Waste Diversion. This chart only illustrates the Transportation and Sustainable Communities Funding. Please visit the California Air Resources Board's website for more information at <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/ggrfprogrampage.htm#Transportation>.

Active Transportation Program

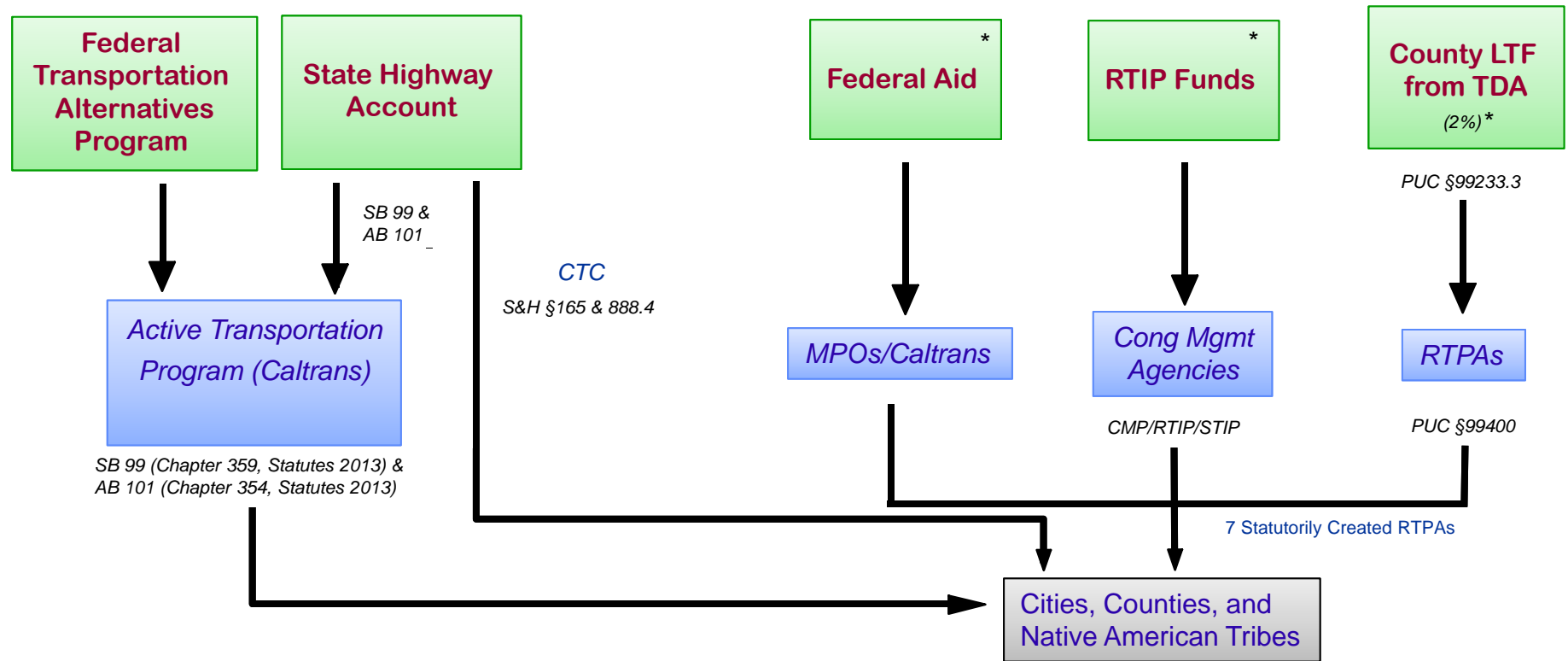


1. Caltrans. 2014. Active Transportation Program. Retrieved from http://www.dot.ca.gov/hq/tpp/offices/ocp/ATLC/documents/7_ATP_Local%20Assistance.pptx
2. California Transportation Commission. 2015. Draft Active Transportation Program Guidelines. Retrieved from http://www.catc.ca.gov/programs/ATP/2015_Draft_ATP_Guidelines_022315.pdf
3. Ibid
4. Ibid

State General Aviation Funding



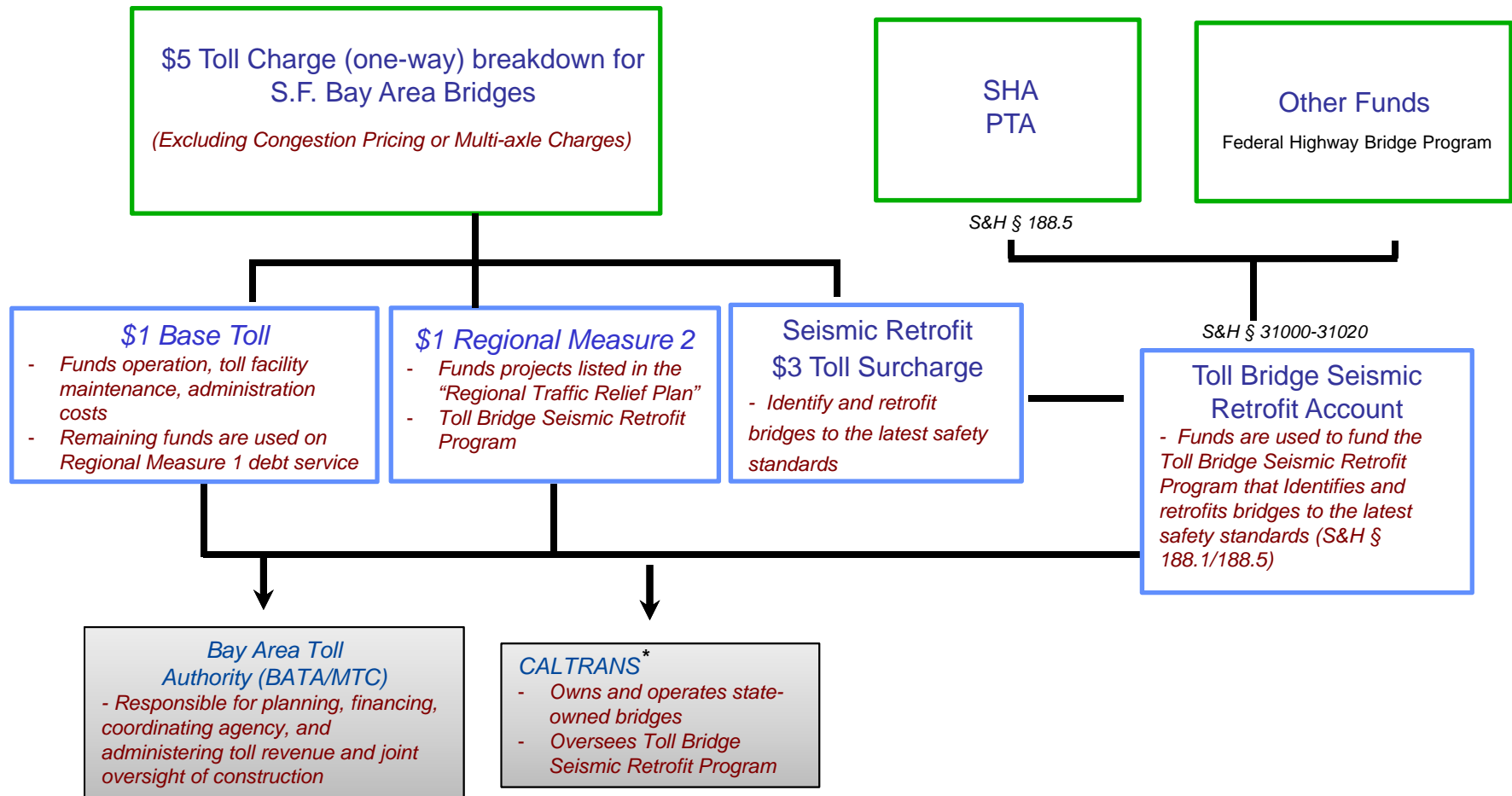
Non-Motorized Transportation Funding



Note: The green boxes represent funding sources and the blue boxes represent fund administrators. Cities and counties are fund recipients.

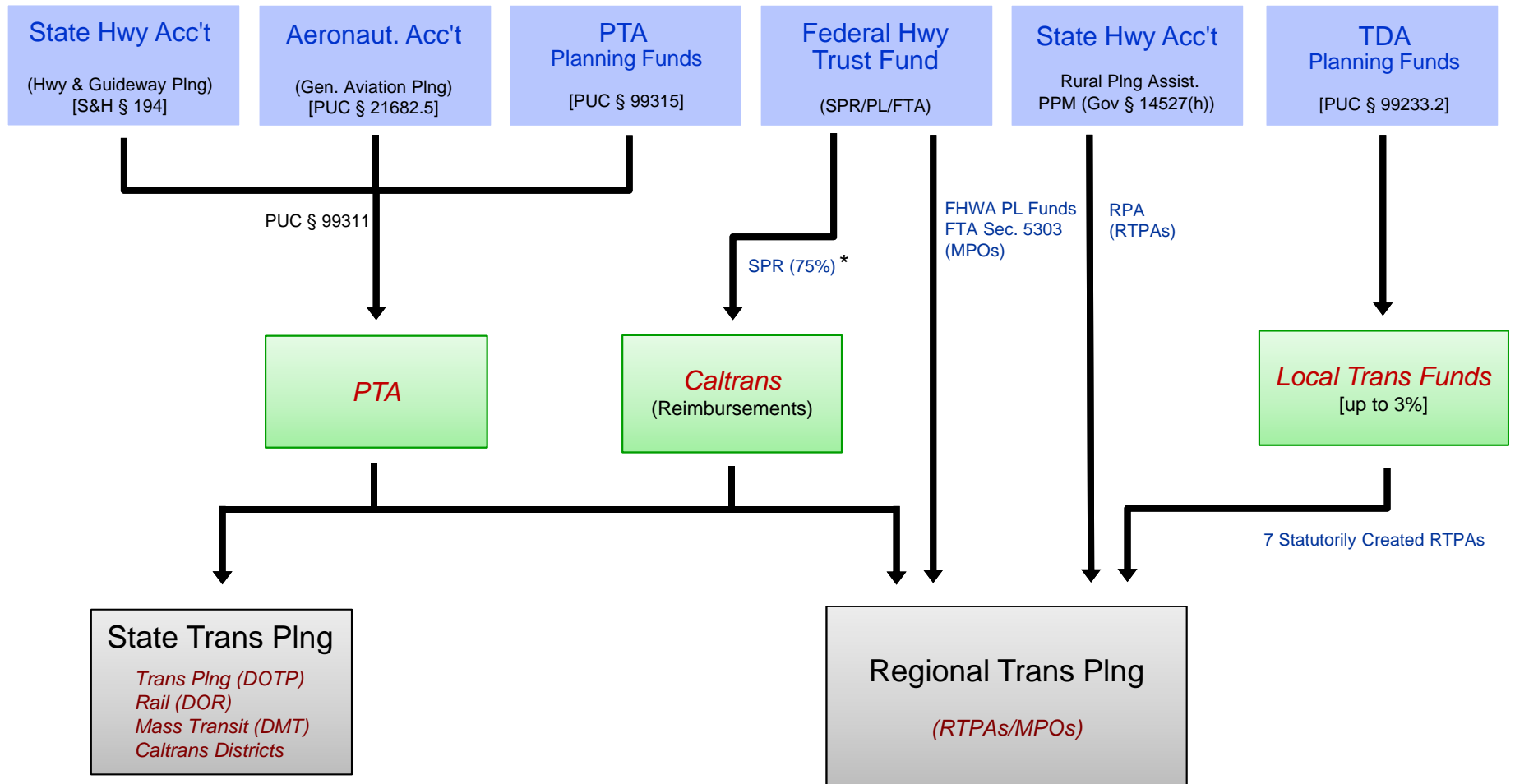
* Bicycle/pedestrian projects are eligible for funding from federal NHS, STP, TEA, CMAQP, Fed Lands Hwy & Bridge programs. The State's EEM program and county sales tax measures also provide funding for non-motorized transportation projects.

State Toll Bridge & Seismic Retrofit Funding



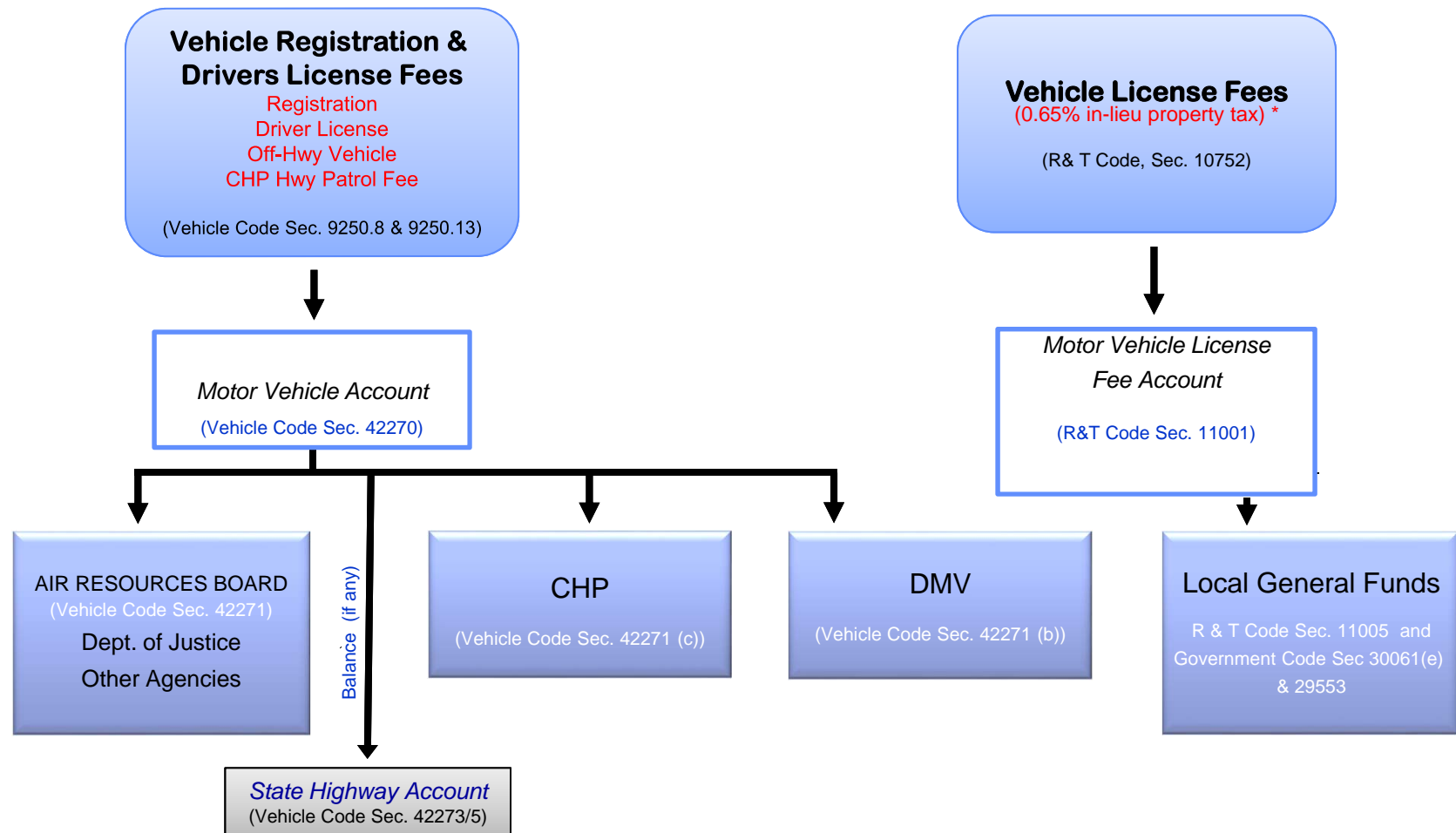
*Caltrans collects tolls and is responsible for the maintenance and capital improvements on all state-owned toll bridges (reimbursed by BATA). Assembly Bill 144 (Chapter 71, 2005) provided additional funding of \$3.6 billion from BATA for the Toll Bridge Seismic Retrofit Program.

Transportation Planning Funds



* The remaining 25% of the SPR funds are used for research.

Motor Vehicle Fees



* In 1998 the Legislature began a series of reductions in the statutory 2% vehicle license fee (AB 2797, Chapter 322) down to 0.65% effective January 2005.

Federal-Aid Highway Programs

Moving Ahead for Progress in the 21st Century (MAP-21)

Program	Description/Provisions
National Highway Performance Program	Provide support to the National Highway System by emphasizing condition and performance, constructing new facilities; and ensuring that investments support performance targets.
Surface Transportation Program	Provides flexible funding for projects that preserve and improve the conditions and performance on Federal-aid highways, bridges and tunnels on public roads, pedestrian and bicycle infrastructures, and transit capital projects.
Highway Safety Improvement Program	Provides funding to reduce traffic fatalities and serious injuries on all public roads, including non-State-owned public roads and roads on tribal lands. The program requires a data-driven, strategic approach to improving highway safety on all public roads that focuses on performance.
Railway-Highway Crossings Program	Provides funding to support safety improvements to reduce the number of fatalities, injuries, and crashes at public grade crossings.
Congestion Mitigation & Air Quality (CMAQ)	Provides flexible funding to State and local governments for transportation projects and programs to help meet the Clean Air Act requirements. The goal is to reduce congestion and improve air quality by improving the ozone and reducing pollutants such as carbon monoxide, or particulate matter.
Metropolitan Planning (PL) Funds	Provides funding to establish a cooperative, continuous, and comprehensive framework for making transportation investment decisions in metropolitan areas.
State Planning and Research	MAP-21 requires states to set aside 2% of the apportionments they receive from the core Federal-aid programs for State planning and research activities. These activities include research, development, and technology.
Transportation Alternatives Program	Provides funding for programs and projects defined as transportation alternatives, including on- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation; recreational trail program projects; safe routes to school projects; and projects for planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways.

Note: Pursuant to the Highway and Transportation Funding Act of 2014 that expires on May 31, 2015, the 2015 Federal-aid highway programs authorized appropriation sum is equal to 243/365 of the total authorized amount. For the latest budget authorization amounts, visit <http://www.fhwa.dot.gov/legsregs/directives/notices/n4510778.cfm>

Federal-Aid Transit Programs

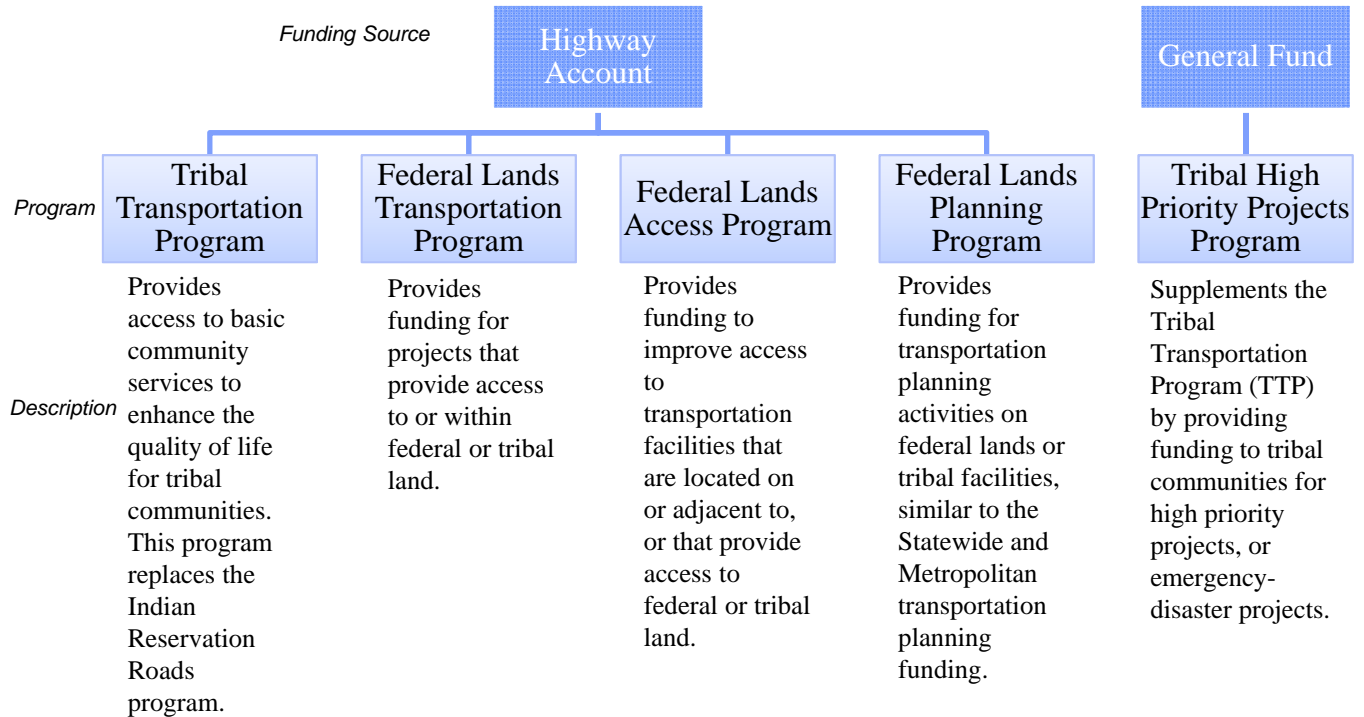
Moving Ahead for Progress in the 21st Century (MAP-21)

Program	Description/Provisions
Metropolitan & Statewide and Nonmetropolitan Planning	Provides funding and procedural requirements for multimodal transportation planning in metropolitan areas metropolitan areas through a cooperative, continuous, and comprehensive planning process. The result of this process includes long and short-range planning and programming of transportation investment priorities.
Section 5307 & Section 5340 (Urbanized Area)	A grant program for public transportation capital investment in urban areas, and transit operating assistance in areas below 200,000. Apportioned by legislative formulas based primarily on population and population density, and bus and fixed guideway revenue based on vehicle and passenger miles.
Section 5309 (Fixed Guideway Capital Investment Grants)	Provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors.
Section 5310 (Elderly and Disability Transit)	A formula program to fund transportation services for the elderly and people with disabilities. Allocation is made on the basis of the number of elderly and people with disabilities in each state.
Section 5311 (Rural Area)	Provides formula grants for capital and operating services for rural and small urban public transportation systems located in areas with a population less than 50,000. In addition, FTA Section 5311(b)(3) provides funding to assist in the design and implementation of training and technical assistance projects and other support services to meet the needs of transit operators in non-urbanized areas. Section 5311(c) provides federally recognized tribes with funding for capital, operating, planning, and administrative expenses for public transit projects that meet the growing needs of rural tribal communities.
Section 5337 (State of Good Repair)	Funds are dedicated to repairing and upgrading the nation's rail transit systems along with high-intensity motor bus systems that use high-occupancy vehicle lanes, including bus rapid transit (BRT).
Section 5329(e) (State Safety Oversight Program)	A program that provides funding to oversee the safety of public transportation as it pertains to heavy rail, light rail, buses, ferries, and streetcars.
Section 5339 (Bus and Bus Facilities)	Provides capital funding to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities.

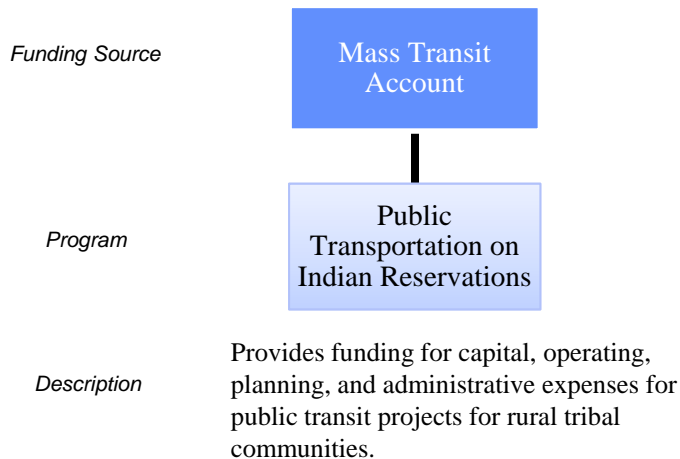
Note: Pursuant to the Highway and Transportation Funding Act of 2014 that expires on May 31, 2015, the 2015 Federal-aid transit programs authorized appropriation sum is equal to 243/365 of the total authorized amount. For the latest budget authorization amounts, visit http://www.fta.dot.gov/12853_16278.html

Native American Transportation Funding

Federal Highway Administration Programs



Federal Transit Administration Programs



Note: While all federally recognized tribes can participate in the Tribal Transportation Program (TTP), only those with a tribal transportation plan and transportation improvement plan are eligible to receive TTP funds.

For more information on FHWA programs visit <http://flh.fhwa.dot.gov/programs/map-21.htm> and <http://www.fhwa.dot.gov/map21/thpp.cfm>

For more information on the FTA program visit http://www.fta.dot.gov/grants/13094_3553.html